

PRESS RELEASE

Colorado Department of Law Attorney General John W. Suthers

FOR IMMEDIATE RELEASE

February 14, 2013

CONTACT

Carolyn A. Tyler

<u>Carolyn.Tyler@state.co.us</u>
720-508-6553

COLORADO ATTORNEY GENERAL REACHES \$29 MILLION SETTLEMENT OVER UNINTENDED ACCELERATION IN TOYOTA AND LEXUS MODELS

DENVER—<u>Colorado Attorney General John Suthers</u> today announced a \$29 million multistate settlement with <u>Toyota Motor Corporation</u> and its related North America entities over allegations that Toyota concealed safety issues related to unintended acceleration in certain Toyota and Lexus models. Toyota will maintain an additional \$5 million to directly reimburse Toyota and Lexus owners for out-of-pocket expenses incurred for costs including, towing expenses, taxi fares, and rental car fees that are related to <u>recalls by the National Highway Traffic Safety Administration of various Toyota and Lexus models</u>. Colorado's portion of the settlement totals more than \$650,000 which will go toward funding future consumer protection investigations and consumer education in Colorado.

"If Toyota promotes the safety of its automobiles in its advertising, it must have sound engineering data to back it up" said Suthers. "Further, Toyota has agreed to change its corporate culture regarding disclosure of safety issues and the company may now move forward with this matter behind it."

The states alleged Toyota engaged in unfair and deceptive practices when it failed to timely disclose known safety defects with accelerator pedals. The investigating State Attorneys General determined poor communication between Toyota's nerve center in Japan and Toyota's United States holdings were partially responsible for the company's failure to timely report known safety issues.

During settlement negotiations, emphasis was placed on ensuring changes in the corporate culture and corporate chain of command to enhance Toyota's responsiveness to regulatory agencies in the United States. As a result, Toyota agreed to significantly change the safety culture within the company's United States operations. Toyota will ensure that its U.S. officials and officers have timely access to information and the authority to fully participate in all decisions affecting the safe operation of Toyota vehicles advertised and sold domestically. The requested culture and chain of command changes will also improve safety issue related to communication between Toyota's holdings in the United States and Toyota's other global holdings.

Consumers who believe they are entitled to refunds should contact Toyota: 1-800-331-4331 and Lexus: 1-800-255-3987 directly. The lines are staffed from 6:00 AM - 7:00 PM MST Monday through Friday, and on Saturdays from 8:00 AM - 5:00 PM MST.

The model and year of impacted cars includes:

2005 – 2010 Avalon 2007 – 2010 Camry 2009-2010 Corolla 2008-2010 Highlander 2007 - 2010 Lexus ES350 2006 - 2010 Lexus IS250 2006-2010 Lexus IS350 2010 Lexus RX 350 2010 Lexus RX 450h 2009-2010 Matrix 2009-2010 Pontiac Vibe 2004 – 2009 Prius 2009-2010 RAV4 2008-2010 Seguoia 2004 Sienna 2005 – 2010 Tacoma 2004 – 2010 Tundra 2009-2010 Venza

In addition, the settlement provides that Toyota is:

- Prohibited from reselling a vehicle it reacquired with alleged safety defects without informing the purchaser about the alleged defect(s) and certifying that the reacquired vehicle was fixed.
- Prohibited from misrepresenting the purpose of an inspection or repair when directing consumers to bring their vehicles to a dealer for inspection or repair, and
- Required to exclude from the "Toyota Certified Used Vehicles" or "Lexus Certified Pre-Owned Vehicles" categories any vehicle acquired through lemon law proceedings or voluntarily repurchased by Toyota to ensure customer satisfaction.

The New Jersey Attorney General's Office led the investigation along with the Attorneys General from Connecticut, Florida, Louisiana, Michigan, Nevada, Ohio, South Carolina and Washington. The following states and U.S. territory participated in today's settlement: Alabama, American Samoa, Arizona, Arkansas, Colorado, Connecticut, Florida, Illinois, Iowa, Kansas, Louisiana, Maryland, Michigan, Minnesota, Mississippi, Nebraska, Nevada, New Jersey, New Mexico, North Carolina, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Virginia, Washington and Wisconsin.